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## INTELLIGENCE MEMORANDUM

### THE 1955/56 FOOD SITUATION IN THE EUROPEAN SATELLITES

CIA/RR IM-436

17 October 1956

#### WARNING

THIS MATERIAL CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE ESPIONAGE LAWS, TITLE 18, USC, SECS. 793 AND 794, THE TRANSMISSION OR REVELATION OF WHICH IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW.

CENTRAL INTELLIGENCE AGENCY

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FOREWORD

This memorandum describes the availability of food in the European Satellites during the consumption year from 1 July 1955 through 30 June 1956 and gives a brief statement of the food prospects for 1956/57. To provide comparative evaluations, the availabilities of food for human consumption during a prewar period and during the 1954/55 consumption year are described.

The supply and consumption of food in each country were measured by the conventional "food balance," a statistical device which reflects directly the standard of living and indirectly the economic progress of a country. The food balance has the disadvantage, however, of not indicating the disparities that exist in consumption levels between various population groups or the respective qualities of their diets.

This memorandum uses a shortened version of the food balance device as it appeared in CIA/RR 58, The 1953-54 Food Situation in the Soviet Bloc, 12 April 1955, SECRET/NOFORN, and CIA/RR PR-136, The 1954-55 Food Situation in the Sino-Soviet Bloc, 9 March 1956, SECRET. These reports should be consulted for the standard methodology used in compiling food balances.

This memorandum should be considered as a preliminary and tentative analysis of the 1955/56 food situation in the European Satellites. In particular, the estimates of trade, change in stocks, and gross availability for use as food should be considered as preliminary estimates based on information available as of 1 August 1956.

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(ORR Project 21.1640)

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THE 1955/56 FOOD SITUATION IN THE EUROPEAN SATELLITES\*

Summary

The average per capita availability of food in the European Satellites during the consumption year from 1 July 1955 through 30 June 1956 exceeded prewar levels for the first time since 1949. Indigenous production of foodstuffs, however, was not sufficient to meet consumer demands. Although agricultural production in 1955 was greater than that in 1954, large quantities of grain, vegetable oil, and fish had to be imported during 1955/56. In terms of calories per capita per day the 1955/56 availability of food in the Satellites ranged from a low of 1,893 in Albania to a high of 2,967 in Poland.\*\* The weighted average for all of the Satellites was 2,656. In 1954/55 the daily per capita consumption of food in the US was 3,200 calories, and in the countries of Western Europe it was 2,895 calories.

Among the European Satellites, East Germany appears to have suffered most because of food shortages during 1955/56. Failure of the 1955 potato crop increased consumption of bread grains, and in June 1956 there was a shortage of bread. Meat and animal fats were also in short supply, and the quality of the diet was low. Per capita availability of food in East Germany in 1955/56 was 14 percent below the prewar level.

Official plan announcements by the various governments of the European Satellites indicate that the industrial labor force has not received the rise in living standards which was a basic objective of the "new course." The plans put greater emphasis on raising levels of agricultural production as a means of increasing the over-all

\* The estimates and conclusions contained in this memorandum represent the best judgment of ORR as of 1 August 1956.

\*\* The foods used in deriving the food balance account for about 95 percent of the total calories in the diet. Except where noted, statistics used in this memorandum have not been adjusted to 100 percent.

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availability of food and the quality of the worker's diet. According to the normal pattern of economic progress, per capita consumption of grain would decrease, and consumption of animal products would increase. In the European Satellites, however, this pattern has been reversed during the postwar period.

The outlook for the 1956 harvest indicates little prospect for an improvement in the food situation in the European Satellites during the consumption year 1956/57, and there is even the possibility of a deterioration in the diet of the average worker. A later-than-normal harvest of bread grains and early potatoes probably will create shortages of these foods in Poland, East Germany, and Czechoslovakia until the harvested products reach the consumer in the fall of 1956. Although some of the European Satellites have state reserves of foodstuffs, it appears unlikely that these reserves are sufficient to prevent food shortages during 1956/57. Only by increasing imports of foodstuffs can the European Satellites satisfy the demands of growing urban populations.

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I. Availabilities.

A. Production.

In all of the European Satellites, total production of major foodstuffs in 1955 was greater than that in 1954, and in Albania, Bulgaria, and Rumania the level of 1955 food production was above prewar levels.\* An index of total production of major foodstuffs in the European Satellites in 1954 and 1955, with the prewar level for each country as 100, is shown in the following tabulation:

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\* Total production of foodstuffs is measured in terms of energy output (calories). The prewar levels for Albania, Bulgaria, Czechoslovakia, and Rumania are those of the 1935-39 average; for East Germany and Poland, those of the 1934-38 average.

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<u>Country</u>	<u>1954</u>	<u>1955</u>
Albania	134	166
Bulgaria	98	106
Czechoslovakia	78	85
East Germany	82	85
Hungary	79	92
Poland	83	85
Rumania	87	107

The 1955 grain harvests in all of the European Satellites were considerably better than those in 1954, and although they were still below prewar levels, they were better, except in East Germany and Hungary, than in any other postwar year. The increase in production of grain, particularly bread grain, was mainly the result of yields increased by favorable weather and, to a lesser degree, the result of a slight increase in the total sown area. Root crops, particularly potatoes, did not fare so well as grain. The potato crop, adversely affected by weather and by shortages of labor at harvest time, registered a shortfall in production in East Germany and Poland. Production of sugar beets, and consequently of raw sugar, for the total Satellite area, although slightly above the low 1954 level, was below the production level of 1953, the year before the "new course" policy became effective.

Although the production of animals and animal products in the European Satellites increased during 1955, the procurement of animal products from the peasants was not adequate for consumer demand, and procurement continued to be a serious government problem. Total production of meat in 1955 is estimated to have been 3 percent above the prewar level. Although the numbers of hogs and cattle were 134 percent and 110 percent, respectively, of the prewar numbers, the productivity per animal unit in terms of meat and fat was below the prewar level. One basic reason for this decline was the failure of the Satellites to increase the fodder base commensurately with the increase in numbers of livestock. This failure is indicated by the fact that total production of grain in 1955 was only 89 percent and of potatoes only 70 percent of prewar levels.

Total production of selected commodities in the European Satellites in 1955 is shown, in terms of percent of prewar\* production, in the following tabulation:

\* The prewar figures used are the 1935-39 averages.

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Bread grains	90
Total grain	89
Sugar	108
Potatoes	70
Meat	103
Hog numbers	134
Cattle numbers	110

Despite the favorable agricultural production in 1955, no European Satellite having a long-term plan ending in that year attained its planned production goals. This failure meant that the increased requirements for food in the cities were not satisfied by indigenous production. It is officially admitted, furthermore, that the consumption of quality foods by the peasants has increased, compared with prewar consumption, and at the same time the growing industrial labor force is demanding more quality foods -- particularly livestock products. Planned and estimated actual increases in agricultural production in Albania, East Germany, Poland, and Rumania in 1955 are shown in Table 1.

Table 1

Planned and Estimated Actual Increases in Agricultural Production  
in Albania, East Germany, Poland, and Rumania  
1955

Country	Plan Period	Percent over Base Year	
		Planned Increase	Actual Increase <sup>a/</sup>
Albania	1951-55	70	37
East Germany	1951-55	57	44
Poland	1950-55	50	19
Rumania	1951-55	88	30 to 40

a. The actual increases are official Satellite government estimates.

Only in Czechoslovakia and Rumania does per capita production of meat and milk show increases over prewar levels, and these increases provide more quality foods in the rural areas rather than in the cities. In 1955, East Germany, Czechoslovakia, Poland, and Hungary had to supplement indigenous food procurements with increased imports in order to improve availabilities of quality foods in urban areas. An index

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of per capita agricultural production in the European Satellites for prewar base years and for the consumption years 1954/55 and 1955/56 is shown in Table 2.\*

B. Foreign Trade.

During the consumption year 1955/56 the European Satellites, as they had in 1954/55, imported large quantities of grain, vegetable oils, and fish. There was, however, a decline in the net imports of grain. Czechoslovakia, East Germany, and Poland accounted for the greater share of the imports. Estimated net trade in selected agricultural commodities by the European Satellites for prewar base years and for consumption years 1954/55 and preliminary 1955/56 is shown in Table 3.\*\*

Despite an excellent grain harvest in 1955, European Satellite purchases of grain from the Free World in 1955/56 were greater than they were in 1954/55. Imports of grain from the USSR, however, declined during this same period. Of the total Satellite imports of grain in 1955/56, bread grains accounted for approximately 74 percent. The most significant trade development in grain was the increase in imports of rice from underdeveloped areas, primarily from Burma. In 1955/56, Satellite imports of rice approximated prewar levels. In Czechoslovakia, East Germany, and Poland, where the per capita demand for potatoes exceeds the supply, rice probably will be used in the diet as a substitute for potatoes. European Satellite imports of grain from the Free World in the consumption years 1953/54, 1954/55, and 1955/56 are shown in Table 4.\*\*\*

Although supplies of meat were inadequate in the European Satellites during the consumption year 1954/55, 1955/56 exports of meat increased by 76,000 tons over the 1954/55 level of 96,000 tons. The net increase was accounted for by increased exports from Rumania and a 65-percent reduction in imports from the West by East Germany and some reduction by Czechoslovakia. Although increased production of meat may have offset the loss in imports, local shortages were reported during the year.\*\*\*\*

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\* Table 2 follows on p. 6.

\*\* Table 3 follows on p. 8.

\*\*\* Table 4 follows on p. 10.

\*\*\*\* Continued on p. 10.

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Table 2

Index of Per Capita Agricultural Production in the European Satellites a/\*  
Prewar, 1954/55, and 1955/56

Commodity and Year b/	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania
Bread grains							
Prewar	89.6	94.3	92.5	118.4	118.9	85.0	132.9
1954/55	160.1	101.3	79.5	76.3	76.7	90.0	103.0
1955/56	174.0	105.8	87.0	86.1	90.3	93.0	154.4
Potatoes							
Prewar	60.0	131.3	124.0	165.6	115.5	94.0	127.6
1954/55	90.9	86.3	76.3	127.1	94.4	89.0	42.2
1955/56	100.0	126.7	88.8	105.3	103.7	78.0	187.6
Meat							
Prewar	173.6	165.2	107.5	276.3	129.3	154.0	138.6
1954/55	159.7	107.1	113.0	214.4	78.9	144.0	135.0
1955/56	159.7	112.8	122.2	239.5	86.0	154.0	180.7
Milk							
Prewar	N.A.	91.3	146.6	237.7	159.2	91.0	92.3
1954/55	N.A.	76.7	140.6	203.9	116.4	113.0	104.2
1955/56	N.A.	78.7	148.6	211.7	124.5	125.0	106.1

\* Footnotes for Table 2 follow on p. 7.

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Table 2

Index of Per Capita Agricultural Production in the European Satellites a/  
Prewar, 1954/55, and 1955/56  
(Continued)

Commodity and Year b/	<u>Albania</u>	<u>Bulgaria</u>	<u>Czechoslovakia</u>	<u>East Germany</u>	<u>Hungary</u>	<u>Poland</u>	<u>Rumania</u>
Vegetable oils							
Prewar	74.2	132.6	60.0	5.6 c/	12.7	129.0	44.4
1954/55	74.2	91.3	90.0	81.9 c/	51.0	135.0	102.8
1955/56	58.1	97.8	90.0	107.7 c/	60.8	141.0	141.7
Animal fats							
Prewar	87.5	210.3	109.0	288.7	145.2	41.0	136.4
1954/55	187.5	106.9	98.9	196.2	62.4	90.0	131.8
1955/56	200.0	110.3	102.2	205.7	74.2	91.0	172.7
Sugar							
Prewar	N.A.	44.0	84.4	186.0	44.4	90.0	65.2
1954/55	840.0 c/	97.3	98.0	104.8	99.7	110.0	113.0
1955/56	920.0 c/	108.0	98.4	123.99	111.9	103.0	144.9

a. Except as otherwise noted, 1949 is the base year with a value of 100.

b. The prewar data for Albania, Bulgaria, Czechoslovakia, Hungary, and Rumania are based on the 1935-39 average; for East Germany and Poland, on the 1934-38 average.

c. 1950 is the base year with a value of 100.

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Table 3

Estimated Net Trade in Selected Agricultural Commodities by the European Satellites a/\*  
Prewar, 1954/55, and Preliminary 1955/56

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Commodity and Year b/	Thousand Metric Tons							
	Albania	Bulgaria	Czechoslovakia	East Germany c/	Hungary	Poland	Rumania	Total
Bread grains								
Prewar		-135	18	-565	-585	-1,135	-235	-2,636
1954/55	+ 1.0	-227	+726	+348	+245	+ 820	+211	+2,208
1955/56	+85.0	-284	+700	+306	+243	+ 675	-250	+1,474
Other grains								
Prewar		-153	+ 55	-140	- 2	- 525	-364	-1,115
1954/55	+14.0	- 80	+486	+247	+ 62	- 6	-174	+ 545
1955/56	+10.0	- 90	+550	+235	-180	- 10	-420	+ 95
Sugar								
Prewar		- 1	-217	-400	- 23	- 410	+ 7	-1,040
1954/55	+ 4.0	0	-183	-220	- 1	- 327	+ 3	- 726
1955/56	+ 2.0	0	-200	-253	+ 14	- 231	0	- 668
Meat								
Prewar	0	- 5	+ 15	+ 80	- 35	- 205	- 25	- 175
1954/55	Negligible	- 16	+ 35	+ 40	- 25	- 80	- 50	- 96
1955/56	Negligible	- 20	+ 30	+ 14	- 26	- 80	- 90	- 172

\* Footnotes for Table 3 follow on p. 9.

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Table 3

Estimated Net Trade in Selected Agricultural Commodities by the European Satellites a/  
 Prewar, 1954/55, and Preliminary 1955/56.  
 (Continued.)

Commodity and Year <sup>b/</sup>	Thousand Metric Tons							
	<u>Albania</u>	<u>Bulgaria</u>	<u>Czechoslovakia</u>	<u>East Germany <sup>s/</sup></u>	<u>Hungary</u>	<u>Poland</u>	<u>Rumania</u>	<u>Total</u>
Animal fats <sup>d/</sup>								
Prewar	0	- 1	+46	+ 40	-24	-30	- 5	+ 26
1954/55	0	0	0	+ 20	- 8	-20	0	- 8
1955/56	0	0	+16	+ 22	-10	-20	-10	+ 8
Vegetable oils								
Prewar	+6.0	-10	+91	+215	+ 4	+85	+15	+406
1954/55	+2.0	- 2	+49	+ 69	+ 3	+20	- 1	+140
1955/56	+2.0	- 2	+50	+ 60	0	+20	-10	+120
Fish								
Prewar	0	+ 1	+18	+ 25	0	0	+ 5	+ 49
1954/55	0	Negligible	+50	+ 91	0	+ 4	0	+145
1955/56	0	+ 1	+50	+ 90	0	+ 5	+ 5	+151

a. The plus sign (+) denotes import, and the minus sign (-) denotes export.

b. The prewar data for Albania, Bulgaria, Czechoslovakia, Hungary, and Rumania are based on the 1933-37 average; for Poland, on the 1934-38 average; and for East Germany, on the 1935-38 average.

c. East German commodity deliveries to Soviet occupation forces are considered as exports.

d. Including slaughter fats and butter.

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Table 4

European Satellite Imports of Grain from the Free World  
1953/54, 1954/55, and 1955/56

Thousand Metric Tons				
<u>Year</u>	<u>Bread Grains</u>	<u>Coarse Grains</u>	<u>Rice</u>	<u>Total</u>
1953/54	274	15	0	289
1954/55	1,200	129	29	1,358
1955/56	1,274	258	190	1,722

Sugar was the major European Satellite food export, in both value and quantity, in 1955/56. A slight drop in exports of sugar was registered, compared with 1954/55 levels, because both population and home consumption of sugar increased without a substantial increase in production.

There is a growing trend among the European Satellites to trade industrial goods to underdeveloped countries in exchange for products which would add variety to and improve the quality of the worker's diet -- citrus fruits, vegetables, coffee, animal products, oilseeds, and the like.

#### C. Changes in Stocks.\*

The status of the state reserves of food is a well-kept secret in the European Satellites. Except for small bits of information in the Satellite press during 1955, very little is known about additions to or withdrawals from state reserves of food during 1955/56. In the first quarter of 1956, Polish officials admitted that as a result of overfulfilling plans for procurement of meat, reserves were being established for the first time in many years. They further stated that the "state cannot manage the country without reserves." It is probable that Satellites other than Poland, in view of better-than-average production in 1955, have also added foodstuffs to their state

\* The term stocks refers to state reserves of food or feed that are kept for strategic purposes -- military, economic, or political. Normal inventories and channel stocks are not included in the term.

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reserves. Probable Satellite additions of grain to state reserves in the consumption year 1955/56 amounted to 50,000 tons in Bulgaria, 190,000 tons in Poland, and 100,000 tons in Rumania. It is likely that Czechoslovakia added about 85,000 tons of sugar to state reserves during the year.

If there were additions to European Satellite state reserves of food other than those mentioned, the food available to the urban population probably would be in even shorter supply than is presently estimated.

## II. Consumption.

In the consumption year 1955/56 the European Satellites, with the exception of East Germany and Rumania, exceeded prewar per capita levels of caloric consumption. Estimated daily consumption of food per capita during 1955/56 ranged from 1,993 calories in Albania to 3,123 calories in Poland.\* The weighted average for all the Satellites was 2,796, or slightly higher than the prewar average of 2,764 and the 1954/55 average of 2,690 calories. In the US, 1954/55 daily per capita consumption was 3,200 calories, and in the Western European countries it was 2,895 calories. It is significant to note that the two Satellites with the smallest daily per capita caloric intake, Albania and East Germany, are also the only ones which still have food rationing.

Improved production of food crops throughout Eastern Europe in 1955 permitted all of the European Satellites to show an increase in the daily per capita food consumption in 1955/56 over that in 1954/55 except Poland, which showed a decrease of 3 percent. A failure of potato crops in Poland and East Germany, however, forced imports of grain as a substitute for potatoes both in the diet and for fodder. The 1955/56 annual per capita consumption of potatoes in Poland and East Germany declined from 1954/55 levels by 33 percent and 11 percent,

\* The items conventionally carried in the food balances for the Sino-Soviet Bloc countries account for about 95 percent of the total caloric intake. In order to make a direct comparison with the US and Western Europe, the caloric availabilities in Albania and Poland have been adjusted to 100 percent.

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respectively. An index of average daily per capita caloric intake in the European Satellites in selected consumption years, prewar through 1955/56, is shown in Table 5.\*

Although the average daily per capita caloric intake for all of the European Satellites except East Germany and Rumania is above prewar, the distribution of consumption between the urban and rural sectors of the population has changed. The Satellite governments have admitted that the rural population is eating better than the urban peoples and better than they ate before the war. The quality of the rural diet has improved with the increased consumption of quality foods -- meats, fats, milk, and the like. By contrast, the supply of quality foods has not kept pace with the requirements of the increasing urban population. The government has not been able to meet the growing urban requirement through procurement, and consequently the worker must substitute available foods -- bread and potatoes, for example -- which reduce the quality of his diet. The increased demand for bread has strained the supply, and local shortages were reported during the year. The urban demand for a better quality diet is extremely great in East Germany, Poland, and Czechoslovakia, where before World War II the worker was accustomed to a greater availability of animal products.\*\* Estimated consumption of major foods in the European Satellites for prewar base years and for the consumption years 1954/55 and 1955/56 is shown in Table 6.\*\*\*

During the latter part of the consumption year 1955/56, some of the European Satellites had difficulty in maintaining adequate supplies of bread and flour for the workers. The shortages were caused by the increased consumption of grain following the potato shortage; the somewhat unfavorable outlook for the 1956 grain crop, which caused the farmers to carry over larger inventories of grain; and the late spring in 1956, which caused the harvest of bread grains to be delayed by about 3 weeks and forced the government to stretch normal stocks for a longer period of time. This situation will continue into the consumption year 1956/57 and will be particularly serious for East Germany, where the over-all per capita availability of food is about 14 percent below prewar levels.\*\*\*\*

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\* Table 5 follows on p. 13.

\*\* In East Germany the annual average per capita availability of meat for 1955/56 is estimated to have been only 77 percent of that of the prewar period.

\*\*\* Table 6 follows on p. 14.

\*\*\*\* Continued on p. 16.

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Table 5

Index of Average Daily Per Capita Caloric Intake in the European Satellites  
Selected Consumption Years, Prewar Through 1955/56

Year	Albania	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania
Prewar a/	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1948/49	N.A.	110.6	102.0	N.A.	N.A.	98.0	97.0
1951/52	91.9	98.0	101.0	75.0	96.0	110.0	97.0
1952/53	83.7	88.2	90.0	74.0	88.0	106.0	80.0
1953/54	99.3	96.6	101.0	91.0	93.0	106.0	84.0
1954/55	99.1	103.4	96.0	82.0	92.0	110.0	90.0
1955/56							
(preliminary)	107.7	108.6	102.0	86.0	100.2	107.0	96.0

a. The prewar data for Albania, Bulgaria, Czechoslovakia, Hungary, and Rumania are based on the 1933-37 average; for Poland, on the 1934-38 average; and for East Germany, on the 1935-38 average.

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Table 6

Estimated Consumption of Major Foods in the European Satellites a/\*  
 Prewar, 1954/55, and 1955/56

Country and Year b/	Population (Thousand)	Foods (Kilograms per Capita per Year)							Total c/ (Calories per Day)
		Grain as Flour	Refined Sugar	Potatoes	Meat (Carcass Weight)	Fish (Landed Weight)	Fats and Oils	Whole Milk	
Albania									
Prewar	1,000	146	4	1	12	N.A.	10	N.A.	1,757
1954/55	1,322	156	5	2	11	N.A.	6	N.A.	1,742
1955/56	1,352	170	6	2	12	2	6	14	1,893
Bulgaria									
Prewar	6,550	210	4	10	22	Negligible	3	17	2,424
1954/55	7,522	228	6	6	13	Negligible	6	19	2,507
1955/56	7,619	239	7	8	13	Negligible	6	20	2,632
Czechoslovakia									
Prewar	15,100	131	21	146	26	1	16	126	2,514
1954/55	12,951	136	20	120	30	4	14	128	2,471
1955/56	13,065	137	23	138	32	4	13	158	2,563
East Germany									
Prewar	16,000	108	24	225	43	10	26	115	2,813
1954/55	17,900	118	15	126	32	8	17	96	2,292
1955/56	17,900	136	18	112	34	8	18	102	2,431

\* Footnotes for Table 6 follow on p. 15.

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Table 6  
Estimated Consumption of Major Foods in the European Satellites a/  
Prewar, 1954/55, and 1955/56  
(Continued)

Country and Year <sup>b/</sup>	Foods (Kilograms per Capita per Year)								Total c/ (Calories per Day)
	Population (Thousand)	Grain as Flour	Refined Sugar	Potatoes	Meat (Carcass Weight)	Fish (Landed Weight)	Fats and Oils	Whole Milk	
Hungary									
Prewar	8,942	163	10	123	27	Negligible	16	95	2,633
1954/55	9,749	158	25	91	16	Negligible	12	88	2,545
1955/56	9,869	167	30	97	18	Negligible	11	96	2,638
Poland									
Prewar	32,000	144	15	312	24	4	12	116	2,775
1954/55	27,020	168	22	257	25	4	12	178	3,039
1955/56	27,532	170	24	172	27	4	12	190	2,967
Rumania									
Prewar	15,200	215	4	52	18	1	5	56	2,608
1954/55	17,309	190	7	46	16	2	6	66	2,358
1955/56	17,540	188	10	88	20	2	7	67	2,501
Total European Satellite Weighted average									
Prewar	94,792	154	14	187	26	4	14	98	2,626
1954/55	93,773	162	16	133	23	4	11	110	2,556
1955/56	94,877	166	19	117	25	4	12	126	2,656

a. The data exclude alcoholic beverages and nonfood uses.

b. The prewar data for Albania, Bulgaria, Czechoslovakia, Hungary, and Rumania are based on the 1933-37 average; for Poland, on the 1934-48 average; and for East Germany, on the 1935-38 average.

c. Foods included represent an estimated 95 percent of total caloric intake.

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III. Outlook for 1956/57.

Although it is too early to estimate 1956 agricultural production in the European Satellites, it appears that over-all production of food will not equal that of the above-normal 1955 crop year. The production of grain, in particular, is likely to decline. The cold winter of 1955-56 and the late spring that followed reduced the harvested acreage and delayed the harvest of small grains throughout the Satellite area. In addition, spring planted crops -- corn, vegetables, and root crops, for example -- were planted later than usual. This means that a delay of a month to 6 weeks in completing the normal harvest and distribution can be expected.

The delay in harvesting grains and vegetables could cause a serious disruption in the distribution of food to urban centers during July and August. A shortage of fresh vegetables, which add variety to the worker's diet, will increase the worker's dissatisfaction with current food supplies. The shortage of potatoes in 1955/56 in Poland and East Germany may continue through 1957. Unfavorable weather has adversely affected yields in Poland, and reduced acreage in East Germany will hold down total production.

Another below-normal potato harvest would seriously jeopardize the supply of meat products. Potatoes are used for fattening hogs, and with fewer potatoes animal productivity would drop. A decrease in production of meat would be detrimental to the morale of the industrial worker in Poland and East Germany -- areas where a meat shortage presently prevails, but improvement has been promised by the governments of those countries.

In summary, the current outlook for agricultural production in the European Satellites indicates that the average worker can expect no improvement -- and possibly a deterioration -- in his diet during the consumption year 1956/57. The next period, roughly 15 July to 1 October, will find staples such as bread and potatoes in short supply\* for some of the Satellites. Unless adequate state reserves of food exist and are used during this period, the governments of Poland, East Germany, Czechoslovakia, and Hungary may find the demands of the workers increasing in their intensity.

\* These shortages are expected to be quantities over and above normal seasonal shortages.

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APPENDIX

SOURCE REFERENCES

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Information and data contained in this memorandum were obtained from many sources, such as FBIS Daily Reports; FDD Summaries; State Department despatches from Bucharest, Budapest, Prague, and Warsaw; [REDACTED] Other important sources are listed below:

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